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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.
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08/999,245 12/13/97 FDER

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EXAMINER
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POINVIL, F

ART UNIT	PAPER NUMBER
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2164

DATE MAILED: 11/21/00

Please find below and/or attached an Office communication concerning this application or proceeding.

Commissioner of Patents and Trademarks

1- File Copy

# Office Action Summary

Application No.  
**08/999,245**

Applicant(s)

**EDER**

Examiner

**Frantzy Poinvil**

Group Art Unit

**2768**



☒ Responsive to communication(s) filed on Sep 1, 2000

☐ This action is **FINAL**.

☐ Since this application is in condition for allowance except for formal matters, **prosecution as to the merits is closed** in accordance with the practice under *Ex parte Quayle*, 1035 C.D. 11; 453 O.G. 213.

A shortened statutory period for response to this action is set to expire 3 month(s), or thirty days, whichever is longer, from the mailing date of this communication. Failure to respond within the period for response will cause the application to become abandoned. (35 U.S.C. § 133). Extensions of time may be obtained under the provisions of 37 CFR 1.136(a).

## Disposition of Claim

☒ Claim(s) 1-43 is/are pending in the application

Of the above, claim(s) \_\_\_\_\_ is/are withdrawn from consideration

☐ Claim(s) \_\_\_\_\_ is/are allowed.

☒ Claim(s) 1-43 is/are rejected.

☐ Claim(s) \_\_\_\_\_ is/are objected to.

☐ Claims \_\_\_\_\_ are subject to restriction or election requirement.

## Application Papers

☒ See the attached Notice of Draftsperson's Patent Drawing Review, PTO-948.

☐ The drawing(s) filed on \_\_\_\_\_ is/are objected to by the Examiner.

☐ The proposed drawing correction, filed on \_\_\_\_\_ is ☐ approved ☐ disapproved.

☐ The specification is objected to by the Examiner.

☐ The oath or declaration is objected to by the Examiner.

## Priority under 35 U.S.C. § 119

☐ Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d).

☐ All ☐ Some\* ☒ None of the CERTIFIED copies of the priority documents have been  
☐ received.

☐ received in Application No. (Series Code/Serial Number) \_\_\_\_\_

☐ received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

\*Certified copies not received: \_\_\_\_\_

☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).

## Attachment(s)

☒ Notice of References Cited, PTO-892

☐ Information Disclosure Statement(s), PTO-1449, Paper No(s). \_\_\_\_\_

☐ Interview Summary, PTO-413

☒ Notice of Draftsperson's Patent Drawing Review, PTO-948

☐ Notice of Informal Patent Application, PTO-152

--- SEE OFFICE ACTION ON THE FOLLOWING PAGES ---

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### DETAILED ACTION

1. Claim 32 is objected to under 37 CFR 1.75(c), as being of improper dependent form for failing to further limit the subject matter of previous claim 1. Applicant is required to cancel the claim(s) 32, or amend the claim(s) 32 to place the claim(s) 32 in proper dependent form, or rewrite the claim(s) 32 in independent form because claim 32 is a duplicate of claim 29 and is similar in scope to claim 29.

### *Claim Rejections - 35 USC § 103*

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. Claims 1-2, 4, 6, 8-10, 13-14, 16, 18 and 20-22 are rejected under 35 U.S.C. 103(a) as being unpatentable over Swad, "Business Editors & Real Estate Industry Writers" and Brown, all taken in combination.

As per claims 1 and 8-9 and 20-21, when evaluating the value of a business enterprise, data related to the value of the business enterprise, wherein the business enterprises having elements of value contributing to the value of the business enterprise must be analyzed. Current operation revenue, current operation expense and current operation changes in capital must be

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obtained, collected and analyzed as required by USPAP standard No. 9 and rule 94. Note page 7 of the article by Randy Swad and the teachings of Business Editors & Real Estate Industry Writers. A business enterprise usually contains securities, salesmen, machines and other resources in which expenses are made and which also generate revenue for the enterprise. These different groups of resources usually have more than one element of value.

Calculating and storing item performance indicators, for each element of the enterprise would have been obvious to the skilled artisan in order to obtain a total sum of expense, revenue or changes in capital for each element or group of resources in the business enterprise. Note that Business Editors & Real Estate Industry Writers teaches generating an amount for each categorized element of value for a given time period or over a sequential series of points in time preceding a specified valuation date. Thus, Business Editors & Real Estate Industry Writers teaches calculating the revenue, expense and changes in capital over a sequential series of points in time. Combining the teachings provided by Swad and Business Editors & Real Estate Industry Writers would have resulted in the calculation of the revenue, expense and capital components of the value of a business enterprise. It is noted that the combination of Swad and Business Editors & Real Estate Industry Writers does not explicitly state a computer-implemented method for identifying value drivers by element of value. It would have been obvious to one of ordinary skill in the art of appraising and in the art of programming digital computers at the time of the invention was made to automate the system of the combined teachings above for the purpose of quickly appraise the value of an enterprise. Thus, programming a computer to perform the

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processes of an appraiser would have been obvious to the skilled artisan for the purpose of making quicker decision processes.

As per claims 2 and 14, the combination of Swad and Business Editors & Real Estate Industry Writers does not explicitly teach optionally dividing the numbers into subgroups for more detailed analysis. Such would have been obvious to the skilled in the combination of Swad and Business Editors & Real Estate Industry Writers in order to instantly view the performance of an element of value.

As per claims 4 and 16, many different types of items and communications are made through the Internet. Completing data entry via automated retrieval of information from the Internet would have been obvious to the skilled artisan in order to remotely communicate and access data for instant communication purposes.

As per claims 10 and 22, optionally identifying item variables and/or item performance indicators that are to be executed from consideration as value drivers or those that are note value drivers before an induction process is started would have been obvious to the skilled artisan whenever these variables show not to have a significant impact on the business enterprise.

Claim 13 contains limitations addressed in claim 1, and similar limitations are likewise rejected. Claim 13 contains additional feature of defining a composite variables that incorporates the value drivers to summarize element performance in causing the revenue, expense or changes n capital for each element of the enterprise using an induction algorithm. Calculating a composite variables that incorporates the value drivers in order to summarize element performance is

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equivalent to calculating sales of capital stock or other ownership interests that is of great importance to the business enterprise.

4. 35 U.S.C. § 101 reads as follows:

"Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter or any new and useful improvement thereof, may obtain a patent therefore, subject to the conditions and requirements of this title".

Claims 1-43 are rejected under 35 U.S.C. § 101 because they are directed to non-statutory subject matter, specifically, as directed to an abstract idea.

Each of independent claims 1 and 13 uses mathematical algorithms and results in identifying item variables and item performance indicators which are numbers representing revenue, expense or changes in capital of a business enterprise. Claim 25 applies mathematical algorithms and results a total value (revenue, expenses and changes) for each element of value in a business enterprise. Claim 38 uses mathematical expressions and results in a calculated value of the growth option using an option pricing algorithm. Claim 39 results in displaying or printing the values of one or more growth options of a business enterprise. Claim 40 involves using mathematical algorithms and obtaining results yielding the value of elements of a business enterprise on a valuation date. The claims provide no manipulation of tangible physical objects, and thus constitutes non-statutory subject matter under 35 USC 101.

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No physical transformation is performed, no practical application is found. The claims appear to recite mathematical algorithms divorced from a practical application in the technological arts. The claims merely perform mathematical calculations in an expected manner as the machine is designed to do for any type of algorithm calculations, and present data results, add nothing more structurally or functionally than material falling under the non-statutory abstract idea concepts.

**Allowable subject**

5. As per claim 25, the prior art taken alone or in combination fails to teach or suggest for each value driver, multiplying each of the three numbers for capitalized value of future revenue, expenses, and changes in capital by the corresponding correlation percentage to yield a revenue value, an expense valued and a capital value taken in combination with a computer-implemented method for valuing one or more elements of a business enterprise on a specified valuation date.

As per claim 38, the prior art taken alone or in combination fails to teach or suggest calculating the value of a growth option using an option pricing algorithm taken in combination with a computer-implemented method for valuing one or more growth options of a business enterprise on a specified valuation date.

As per claim 39, the prior art taken alone or in combination fails to teach or suggest combining results from step © and (d) in the copywritten Value Map format for display and optional printout taken in combination with a computer-implemented method of preparing a Value Map for a business enterprise on a specified valuation date.

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As per claim 40, the prior art taken alone or in combination fails to teach or suggest an element valuation processor for calculating the value of each element by multiplying the capitalized values of future revenue, expenses and changes in capital by the correlation percentages and then summing the three resulting figures to yield the value of the element on the valuation taken in combination with a c system for valuing one or more elements of a business enterprise on a specified valuation date.

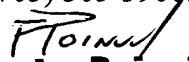
6.

***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Frantzy Poinvil, whose telephone number is (703) 305-9779. The examiner can normally be reached on Monday through Thursday from 7:30 AM to 5:00 PM.

The fax phone number for this Art Unit is (703) 305-0040.

Any inquiry of a general nature or relating to the status of this application should be directed to the Group receptionist whose telephone number is (703) 305-3900.  
20Nov00

  
**Frantzy Poinvil**  
**Primary Examiner**  
**Art Unit 2164**